



JUNE 11, 2021

Submitted via email: rule-comments@sec.gov

The Honorable Allison Herren Lee
Acting Chair
Securities and Exchange Commission
100 F St. NE
Washington, DC 20549

Re: *Public Input Welcomed on Climate Change Disclosures, March 15, 2021, available at <https://www.sec.gov/news/public-statement/lee-climate-change-disclosures>*

Enerplus appreciates the opportunity to submit the following responses to the Request for Input ("RFI") on Climate Change Disclosure. Enerplus is an independent North American exploration and production company focused on developing our high-quality assets through a disciplined, returns-based capital program. This focus, our accountability and our people will help us deliver differentiated long-term shareholder value.

Our core values include a commitment to develop our resources responsibly and profitably, while making a positive contribution to society. Consistent with this commitment, we work to ensure that our operations remain safe, resilient, and sustainable.

Specific Responses to Enumerated Questions:

Question 1: *How can the Commission best regulate, monitor, review, and guide climate change disclosures in order to provide more consistent, comparable, and reliable information for investors while also providing greater clarity to registrants as to what is expected of them? Where and how should such disclosures be provided? Should any such disclosures be included in annual reports, other periodic filings, or otherwise be furnished?*

Enerplus' Response: Rather than implementing new disclosure frameworks the SEC should focus on supporting existing frameworks that suffice disclosure requirements. Efforts to avoid duplicative reporting should be considered. Furnished reporting aligns to existing disclosure frameworks such as SASB and better supports organizations to choose when, how and where they report, and allows for forward-looking information provisions. Furnishing over filing disclosures also supports the different timeframes associated with reporting, particularly the sixty-day fiscal year end financial filing vs. the March 31st greenhouse gas EPA reporting deadline (as an example).

Question 2: *What information related to climate risks can be quantified and measured? How are markets currently using quantified information? Are there specific metrics on which all registrants should report (such as, for example, scopes 1, 2, and 3 greenhouse gas emissions, and greenhouse gas reduction goals)? What quantified and measured information or metrics should be disclosed because it may be material to an investment or voting decision? Should disclosures be tiered or scaled based on the size*

and/or type of registrant)? If so, how? Should disclosures be phased in over time? If so, how? How are markets evaluating and pricing externalities of contributions to climate change? Do climate change related impacts affect the cost of capital, and if so, how and in what ways? How have registrants or investors analyzed risks and costs associated with climate change? What are registrants doing internally to evaluate or project climate scenarios, and what information from or about such internal evaluations should be disclosed to investors to inform investment and voting decisions? How does the absence or presence of robust carbon markets impact firms' analysis of the risks and costs associated with climate change?

Enerplus' Response: In alignment with multiple existing disclosure frameworks, scope 1 and scope 2 emissions within an organizations operational control should be reported as per EPA requirements. For the purposes of comparability, disclosures should include both absolute and intensity metrics, should be standardized, and should include both quantitative and qualitative information.

As scope 3 emissions are currently defined using a variety of evolving techniques, they are not comparable and should not have a place in mandated reporting as they are currently defined. Forcing early disclosure of scope 3 emissions will lead to double counting which will create confusion within the marketplace.

Additional disclosures, such as methane emissions, should be aligned to existing EPA reporting.

Question 3: *What are the advantages and disadvantages of permitting investors, registrants, and other industry participants to develop disclosure standards mutually agreed by them? Should those standards satisfy minimum disclosure requirements established by the Commission? How should such a system work? What minimum disclosure requirements should the Commission establish if it were to allow industry-led disclosure standards? What level of granularity should be used to define industries (e.g., two-digit SIC, four-digit SIC, etc.)?*

Enerplus' Response: Based upon the current reporting landscape, sufficient disclosure standards do exist which should be the basis for disclosure going forward. At this time there is no requirement for the development of industry-led disclosure standards as those such as SASB's are focused at the industry level.

Question 4: *What are the advantages and disadvantages of establishing different climate change reporting standards for different industries, such as the financial sector, oil and gas, transportation, etc.? How should any such industry-focused standards be developed and implemented?*

Enerplus' Response: Industry specific climate change disclosure standards already exist and should continue to be implemented to increase comparability in reporting.

Question 6: *How should any disclosure requirements be updated, improved, augmented, or otherwise changed over time? Should the Commission itself carry out these tasks, or should it adopt or identify criteria for identifying other organization(s) to do so? If the latter, what organization(s) should be responsible for doing so, and what role should the Commission play in governance or funding? Should the Commission designate a climate or ESG disclosure standard setter? If so, what should the characteristics of such a standard setter be? Is there an existing climate disclosure standard setter that the Commission should consider?*

Enerplus' Response: In order to compliment existing best practices and incoming reporting requirements as per the announcement of G7's disclosure mandate, the SEC should align its reporting recommendations with both TCFD and SASB standards as opposed to taking an ownership position in mandating new standards. This would support the global adoption of standards achieving greater comparability and ensure updating processes continue to be managed by the existing standard setters.

Question 7: *What is the best approach for requiring climate-related disclosures? For example, should any such disclosures be incorporated into existing rules such as Regulation S-K or Regulation S-X, or should a new regulation devoted entirely to climate risks, opportunities, and impacts be promulgated? Should any such disclosures be filed with or furnished to the Commission?*

Enerplus' Response: Supporting TCFD aligned reporting will eventually lead to disclosures being filed within annual reports. This should take place within five years of reporting organizations beginning their TCFD disclosure journey.

Question 9: *What are the advantages and disadvantages of developing a single set of global standards applicable to companies around the world, including registrants under the Commission's rules, versus multiple standard setters and standards? If there were to be a single standard setter and set of standards, which one should it be? What are the advantages and disadvantages of establishing a minimum global set of standards as a baseline that individual jurisdictions could build on versus a comprehensive set of standards? If there are multiple standard setters, how can standards be aligned to enhance comparability and reliability? What should be the interaction between any global standard and Commission requirements? If the Commission were to endorse or incorporate a global standard, what are the advantages and disadvantages of having mandatory compliance?*

Enerplus' Response: While supportive of comparability, single global standards have the potential to be in opposition to local and national reporting systems and are ultimately beyond the scope of the SEC.

Question 10: *How should disclosures under any such standards be enforced or assessed? For example, what are the advantages and disadvantages of making disclosures subject to audit or another form of assurance? If there is an audit or assurance process or requirement, what organization(s) should perform such tasks? What relationship should the Commission or other existing bodies have to such tasks? What assurance framework should the Commission consider requiring or permitting?*

Enerplus' Response: Mandating assurance or audit requirements for reporting metrics may be beyond the capacity of smaller reporting organizations. However, supporting TCFD aligned reporting will eventually lead to disclosures being filed within annual reports, which creates impetus to assure and/or audit data and reporting processes. This evolution should take place within five years of reporting organizations beginning their TCFD disclosure journey.

Question 11: *Should the Commission consider other measures to ensure the reliability of climate-related disclosures? Should the Commission, for example, consider whether management's annual report on internal control over financial reporting and related requirements should be updated to ensure sufficient analysis of controls around climate reporting? Should the Commission consider requiring a certification by the CEO, CFO, or other corporate officer relating to climate disclosures?*

Enerplus' Response: Until such time that clear definition and standardization is in place for climate reporting, we would recommend that certification not be a requirement.

Question 12: *What are the advantages and disadvantages of a “comply or explain” framework for climate change that would permit registrants to either comply with, or if they do not comply, explain why they have not complied with the disclosure rules? How should this work? Should “comply or explain” apply to all climate change disclosures or just select ones, and why?*

Enerplus’ Response: ‘Comply or explain’ is standard practice in reporting and is endorsed by standard setters such as SASB. It allows smaller organizations to phase-in their reporting at an appropriate pace and should be supported.

Question 13: *How should the Commission craft rules that elicit meaningful discussion of the registrant’s views on its climate-related risks and opportunities?*

Enerplus’ Response: Adhere to TCFD risk and opportunities disclosure reporting.

Question 15: *In addition to climate-related disclosure, the staff is evaluating a range of disclosure issues under the heading of environmental, social, and governance, or ESG, matters. Should climate-related requirements be one component of a broader ESG disclosure framework?*

Enerplus’ Response: SEC should continue to evaluate additional disclosure issues for future consideration. In considering ESG disclosure, please review frameworks including SASB (which is changing currently to include more human capital management disclosures becoming more rounded in broader ESG concepts), IPIECA and GRI for additional disclosure inclusions. At this time the SEC should encourage use of existing frameworks and a focus on climate related disclosure as opposed to developing a broader ESG disclosure framework.

Enerplus thanks you for the opportunity to provide feedback.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Hoffman', with a stylized flourish at the end.

John Hoffman

VP, Canadian Assets and
Corporate Sustainability

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